

[27 February, 2001]      RAJYA SABHA

(SHRI GINGEE N. RAMACHANDRAN): (a) and (b) Sir, M/s Novartis India Ltd., are alleged to have evaded Central Excise duty to the tune of Rs. 2.35 crore. This relates to classification of pesticides and formulations.

(c) A Show Cause Notice demanding Central Excise Duty to the tune of Rs. 2.35 crore has been issued to M/s Novartis India Ltd., Goa.

(d) No Sir.

**10 per cent Budgetary allocation to NE States**

604. DR. ARUN KUMAR SARMA: Will the Minister of FINANCE be pleased to state:

(a) the Departments exempted from making 10 per cent budgetary allocation to NE in terms of PM's special package;

(b) the reasons for such exemption; and

(c) the list of Departments which have not complied with 10 per cent allocation during the last three years?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL): (a) and (b) All Union Ministries and Departments are required to spend at least 10% of their allocations on schemes/projects for the benefit of the North Eastern Region and Sikkim. Some Union Ministries/Departments have been specifically exempted from the requirement because of the location/scheme specific nature of the plan provision in the Budget. A list of Departments exempted during 2000-01 is enclosed as statement. (See below)

(c) In the Budget, provision of 10% for North-East is now required to be shown as a separate minor head in the grants of all Departments except those which have been specifically exempted.

**Statement**

*List of Departments exempted from making 10 per cent budgetary allocation to NE States in terms of PM's special package*

**1. Expenditure**

2. Revenue
3. Planning
4. Ocean Development
5. Space
6. Supply
7. Atomic Energy
8. Economic Affairs
9. External Affairs
10. Petroleum & Natural Gas
11. Sugar and Edible Oils
12. Steel
13. Legal Affairs
14. Personnel and Training
15. Bio-Technology
16. Science & Technology
17. Scientific and Industrial Research
18. Social Justice and Empowerment\*

\*Only 2% of the funds for SCD should be allocated to the NE. The norm of 10% of the total allocation should apply only w.r. to the allocation for sectors other than SCD.

#### **Exemptions on Excise Duty on sale of Jute Bags**

605. SHRI BHAGATRAM MANHAR: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that Jute Mills have been exempted from payment of Excise Duty on sale of jute bags;

(b) if so, the reasons therefor and the quantum of loss that the Government have to incur as 100% foodgrain and sugar are to be packed in jute bags under Packaging Control Order;

(c) whether Government would withdraw this exemption particularly when the West Bengal Government continue to levy sales tax on these items; and

(d) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN): (a) Yes, Sir.